

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re:	:	PROMESA
	:	Title III
	:	
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO	:	Case No. 17-BK-3283 (LTS)
	:	
as representative of	:	(Jointly Administered)
	:	
THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> , ¹	:	
	:	
Debtors.	:	
	:	
-----	X	

**NOTICE OF ZOLFO COOPER, LLC, AS FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS, OF RATE INCREASES
EFFECTIVE JANUARY 1, 2023**

Zolfo Cooper, LLC² (“**Zolfo Cooper**”), financial advisor to the Official Committee of Unsecured Creditors of all title III Debtors (other than COFINA and PBA) (the “**Committee**”) hereby submits this notice in accordance with the Court’s *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-Retained*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283 LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284 LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567 LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566 LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780 LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233) (Last Four Digits of Federal Tax ID: 3801).

² On November 1, 2018, AlixPartners, LLP (“AlixPartners”), a global consulting firm headquartered in New York, acquired all of the membership interests of ZC Holdings, LLC and its subsidiaries, including Zolfo Cooper. Zolfo Cooper will continue to provide services to the Committee on this matter as Zolfo Cooper, operating as a subsidiary of AlixPartners at AlixPartners standard hourly rates.

Professionals [Dkt. No. 7678] (“**Additional Presumptive Standards Order**”), and respectfully states as follows:

As of January 1, 2023, the hourly rates of Zolfo Cooper, LLC professionals working on matters in this Title III case will increase generally, reflecting firm-wide annual rate increases and/or increases in individual professionals’ seniority.

The hourly rate increases for professionals expected to be most active in this case are as follows:

Professional	Title	Rate ^(a)		% Increase
		2022	2023	
Joff Mitchell	Managing Director	\$1,335	\$1,400	4.9%
Scott Martinez	Director	\$945	\$1,020	7.9%
Eric Deichmann	Director	\$840	\$950	13.1%
Michael Westermann	Director	\$840	\$950	13.1%
Elizabeth Kardos	Partner	\$750	\$800	6.7%
Rahul Yenumula	Senior Vice President	\$700	\$735	5.0%
Deborah Praga	Senior Vice President	\$655	\$655	0.0%
Kaitlyn Sundt/McClarren	Senior Vice President	\$550	\$585	6.4%
Heather Saydah	Senior Vice President	\$510	\$550	7.8%
Laura Verry	Senior Vice President	\$530	\$540	1.9%
Brooke Filler	Vice President	\$485	\$510	5.2%

(a) The foregoing hourly rates do not take into account the 20% end of case reduction to which Zolfo Cooper has agreed pursuant to its retention order.

As set forth in the certification of Scott Martinez, attached hereto as **Exhibit A**, the Committee has authorized the rate increases detailed herein, both with respect to the January 1, 2023 effective date and on a timekeeper-by-timekeeper basis.

WHEREFORE, Zolfo Cooper respectfully requests that the Court take notice of the foregoing.

Dated: December 22, 2022

Respectfully submitted,

Zolfo Cooper, LLC

By: /s/ Scott Martinez
Scott Martinez
909 Third Avenue, 30th Floor
New York, NY 10022
smartinez@alixpartners.com
212-490-2500 (telephone)

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

	X
	: PROMESA
In re:	: Title III
	:
THE FINANCIAL OVERSIGHT AND	: Case No. 17-BK-3283 (LTS)
MANAGEMENT BOARD FOR PUERTO RICO	:
	: (Jointly Administered)
as representative of	:
	:
THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> , ¹	:
	:
Debtors.	:
	:
	X

**VERIFIED CERTIFICATION OF SCOTT MARTINEZ IN SUPPORT OF THE NOTICE
OF ZOLFO COOPER, LLC, AS FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS OF RATE INCREASES
EFFECTIVE JANUARY 1, 2023**

I, Scott Martinez, hereby certify the following:

1. I am an authorized representative of Zolfo Cooper, LLC² (“Zolfo Cooper”), which has a place of business at 909 Third Avenue, Floor 30, New York, New York 10022.

2. I am authorized to submit this certification in support of the *Notice of Zolfo Cooper*,

The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283 LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284 LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567 LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566 LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780 LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233) (Last Four Digits of Federal Tax ID: 3801).

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LLC, as Financial Advisor to the Official Committee of Unsecured Creditors, of Rate Increases effective January 1, 2023 (the “Notice”), filed contemporaneously herewith. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

3. In accordance with the *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-Retained Professionals* [Dkt. No. 7678] (“**Additional Presumptive Standards Order**”), the Committee has authorized the rate increases identified in the Notice, both with respect to the January 1, 2023 effective date and on a timekeeper-by-timekeeper basis.

4. Zolfo Cooper 2022 and 2023 hourly rate schedules for professionals are as follows:

January 1, 2022		January 1, 2023	
Title	Hourly Rate*	Title	Hourly Rate*
Managing Director	\$1,060 – \$1,335	Managing Director	\$1,140 – \$1,400
Partner	N/A	Partner	\$1,115
Director	\$840 – \$990	Director	\$880 – \$1,070
Senior Vice President	\$700 – \$795	Senior Vice President	\$735 – \$860
Vice President	\$510 – \$685	Vice President	\$585 – \$725
Consultant	\$190 – \$505	Consultant	\$215 – \$565
Paraprofessional	\$320 – \$340	Paraprofessional	\$360 – \$380

* The foregoing hourly rates do not take into account the 20% end of case reduction to which Zolfo Cooper has agreed pursuant to its retention order

5. On an annual basis, Zolfo Cooper evaluates the hourly rates charged by its billing professionals to determine whether those rates should be increased based on a timekeeper’s developing skill, experience, professional advancement, and academic or professional level of certification. Zolfo Cooper’s hourly rate increases are consistent with changes in market hourly rates. The 2023 rates charged by the billing professionals working on these Title III cases were

set through this process, and are consistent both in amount and timing, with rates for Zolfo Cooper timekeepers not working on these Title III cases.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief formed after reasonable inquiry.

Dated: December 22, 2022

/s/ Scott Martinez
Scott Martinez
Zolfo Cooper, LLC